AMENDED IN ASSEMBLY AUGUST 20, 2013 AMENDED IN SENATE MAY 24, 2013 AMENDED IN SENATE APRIL 24, 2013

SENATE BILL

No. 195

Introduced by Senator Liu

February 7, 2013

An act to add Chapter 13 (commencing with Section 67050) to Part 40 of Division 5 of Title 3 of the Education Code, relating to postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

SB 195, as amended, Liu. California postsecondary education: state goals.

Existing law establishes the University of California, under the administration of the Regents of the University of California, the California State University, under the administration of the Trustees of the California State University, and the California Community Colleges, under the administration of the Board of Governors of the California Community Colleges, and independent institutions of higher education as the 4 segments of postsecondary education in this state.

Existing law states the intent of the Legislature to urge the continued development and implementation of assessment processes whereby institutions of higher education establish mechanisms, through program review and improvement, for the assessment of their performance in attempting to improve student learning and comprehension and achieving the expressed state policy goals for higher education of quality, educational equity, employee diversity, student transfer, and student retention.

SB 195 -2-

This bill would state the intent of the Legislature that budget and policy decisions regarding postsecondary education generally adhere to 3 specified goals and that appropriate metrics be identified, defined, and formally adopted, based upon-recommendations provided metrics recommended by a working group, to monitor progress toward the achievement of the goals. The bill would require an appropriate educational administrative body, as determined by a designee of the Governor, Governor to convene-a this working group, composed of specified participants, to assist with the development of those metrics. The bill would require the working group to ensure that the metrics provide a means of measuring performance and improvement in specified areas that may include, but are not necessarily limited to, areas specified in the bill. The bill also would require the administrative body, designee, in consultation with the Department of Finance and the Legislative Analyst's Office, to submit recommended metrics to specified persons and entities on or before January 31, December 1, 2014.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Chapter 13 (commencing with Section 67050) is added to Part 40 of Division 5 of Title 3 of the Education Code, to read:

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Chapter 13. State Goals for California's Postsecondary Education System

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67050. The Legislature finds and declares all of the following:

- (a) Since the enactment of the Master Plan for Higher Education in 1960, California's system of postsecondary education has provided access and high-quality educational opportunities that have fueled California's economic growth and promoted social mobility.
- (b) In today's global information economy, California's national and international success as an educational and economic leader will require strategic investments in, and improved management of, state educational resources.

-3- SB 195

(c) Several factors, including changing demographics, rising costs, increased competition for scarce state funding, and employer concerns about graduates' skills, present new challenges to higher education and state policymakers in effectively meeting the postsecondary education needs of Californians.

- (d) Although the public segments of postsecondary education have each undertaken efforts to improve reporting and transparency, these efforts do not combine to indicate whether the postsecondary system as a whole is on track to meet the state's needs.
- (e) The absence of a common vision and common goals for California's postsecondary education system hinders the state's ability to effectively make critical fiscal and policy decisions.
- (f) Policy and educational leaders should collectively hold themselves accountable for meeting the state's civic and workforce needs, for ensuring the efficient and responsible management of public resources, and for ensuring that California residents have the opportunity to successfully pursue and achieve their postsecondary educational goals.
- 67051. In order to promote the state's competitive economic position and quality of civic life, it is necessary to increase the level of educational attainment of California's adult population to meet the state's civic and workforce needs. To achieve that objective, it is the intent of the Legislature that budget and policy decisions regarding postsecondary education generally adhere to all of the following goals:
- (a) Improve student access and success, which shall include, but not necessarily be limited to, all of the following goals: greater participation by demographic groups, including low-income students, that have historically participated at lower rates, greater completion rates by all students, and improved outcomes for graduates, as evidenced by the increased rate and number of students who receive degrees, complete certificates, or transfer.
- (b) Better align degrees and credentials with the state's economic, workforce, and civic needs.
- (c) Ensure the effective and efficient use of resources in order to increase high-quality postsecondary educational outcomes and maintain affordability, as evidenced by reduced time-to-degree, control of costs, and maintenance of low fees.

SB 195 —4—

67052. (a) It is the intent of the Legislature that appropriate metrics be identified, defined, and formally adopted, based upon the recommendations provided metrics recommended by the working group established pursuant to Section 67053, for the purpose of monitoring progress toward the achievement of the goals specified in Section 67051. It is further the intent of the Legislature that all of the following occur:

- (1) The metrics take into account the distinct missions of the different segments of postsecondary education.
- (2) At least six, and no more than 12, metrics be developed that can be derived from publicly available data sources for purposes of periodically assessing the state's progress toward meeting each of the goals specified in Section 67051.
- (3) The metrics be disaggregated and reported by gender, race or ethnicity, income, age group, and full-time or part-time enrollment status, where appropriate and applicable.
- (4) The metrics be used for purposes of the requirements of subdivision (a) of Section 69433.2.
- (5) The metrics take into account the performance measures required to be reported pursuant to Sections 89295 and 92675.
- (b) It is the intent of the Legislature to promote progress on the statewide educational and economic policy goals specified in Section 67051 through budget and policy decisions regarding postsecondary education. It is the intent of the Legislature that the metrics be used to ensure the effective and efficient use of state resources available to postsecondary education. It is further the intent of the Legislature that progress on the adopted metrics be reported and considered as part of the annual State Budget process.
- 67053. (a) (1) An appropriate educational administrative body, as determined by A designee of the Governor, Governor shall convene a working group to assist with the development of the metrics specified in Section 67052. Participants in the working group shall include all of the following:
- (A) (i) One representative from each of the postsecondary education segments, as defined in Section 67054, and a representative of the State Department of Education.
- (ii) The representative of the independent institutions of higher education shall be from the official organization representing the largest number of independent institutions of higher education in the state. The representative of the private postsecondary

5 SB 195

educational institutions shall be the Chief of the Bureau for Private
 Postsecondary Education, or the chief's designee selected by the
 advisory committee to the Bureau for Private Postsecondary
 Education, established pursuant to Section 94880.

- (B) One representative of the Department of Finance.
- (C) At least one member, but no more than three members, with expertise in similar state accountability efforts, who is not a regular employee of a postsecondary education segment.
 - (D) A representative of the Legislative Analyst's Office.
- (2) The working group shall develop and identify outcome metrics, progress metrics, and efficiency and effectiveness metrics. At a minimum, and in *In* a manner that is consistent with the goals specified in Section 67051, the working group shall ensure that the metrics provide a means of measuring performance and improvement in *specified areas*. These areas may include, but are not necessarily limited to, each of the following-areas:
- 17 (A) Graduation rates.
- 18 (B) Transfer rates.

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- 19 (C) The number of graduates.
- 20 (D) The number of transfers.
- 21 (E) Degree completion of all students.
- 22 (F) Degree completion of low-income students.
- 23 (G) Enrollment and success in, and beyond, remedial instruction.
- 24 (H) Retention rates.
- 25 (I) Course completions.
 - (J) Total funding per degree or certificate.
 - (K) Degree production and graduate outcomes performance measures relative to the state's workforce and economic needs, which may include job placement and salaries of graduates.
 - (b) The appropriate educational administrative body, as determined by designee of the Governor identified pursuant to subdivision-(a), (a) may request technical input from any agency that maintains data that would be helpful in developing the metrics and assessing progress toward achieving the goals specified in Section 67051.
 - (c) The appropriate educational administrative body, as determined by designee of the Governor identified pursuant to subdivision (a), in consultation with the Department of Finance and the Legislative Analyst's Office, shall submit recommended metrics developed pursuant to subdivision (a) to the appropriate

SB 195 -6-

- policy committees of the Legislature, the Joint Legislative Budget
- Committee, and the Governor on or before January 31, December
- 3 *1*, 2014.
- 67054. For the purposes of this chapter, "segments of 4
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- postsecondary education" means the California Community Colleges, the California State University, the University of
- California, independent institutions of higher education, as defined
- in Section 66010, and private postsecondary educational
- institutions, as defined in Section 94858.